



Dispute Resolution Services

Page: 1

Residential Tenancy Branch
Office of Housing and Construction Standards

DECISION

Dispute Codes MNDCL-S, FFL

Introduction

On July 30, 2021, the Landlord made an Application for Dispute Resolution seeking a Monetary Order for compensation pursuant to Section 67 of the *Residential Tenancy Act* (the “*Act*”), seeking to apply the security deposit and pet damage deposit towards this debt pursuant to Section 67 of the *Act*, and seeking to recover the filing fee pursuant to Section 72 of the *Act*.

L.P. attended the hearing as an agent for the Landlord, and Tenant L.L. attended the hearing as well. At the outset of the hearing, I explained to the parties that as the hearing was a teleconference, none of the parties could see each other, so to ensure an efficient, respectful hearing, this would rely on each party taking a turn to have their say. As such, when one party is talking, I asked that the other party not interrupt or respond unless prompted by myself. Furthermore, if a party had an issue with what had been said, they were advised to make a note of it and when it was their turn, they would have an opportunity to address these concerns. The parties were also informed that recording of the hearing was prohibited and they were reminded to refrain from doing so. All parties acknowledged these terms. As well, all parties provided a solemn affirmation.

All parties acknowledged service of documents and were given an opportunity to be heard, to present sworn testimony, and to make submissions. I have reviewed all oral and written submissions before me; however, only the evidence relevant to the issues and findings in this matter are described in this Decision.

Issue(s) to be Decided

- Is the Landlord entitled to a Monetary Order for compensation?
- Is the Landlord entitled to apply the security deposit and pet damage deposit towards this debt?
- Is the Landlord entitled to recover the filing fee?

Background and Evidence

While I have turned my mind to the accepted documentary evidence and the testimony of the parties, not all details of the respective submissions and/or arguments are reproduced here.

All parties agreed that the most current tenancy started on December 1, 2020 as fixed term tenancy of one year, ending on November 30, 2021. However, the tenancy ended when the Tenants gave up vacant possession of the rental unit on July 26, 2021. Rent was established at an amount of \$2,592.50 per month and it was due on the first day of each month. A security deposit of \$1,250.00 and a pet damage deposit of \$1,250.00 were also paid. A copy of the signed tenancy agreement was submitted as documentary evidence.

P.K. advised that the Landlord was seeking to retain the security deposit and pet damage deposit as a consequence for the Tenants breaching the fixed term of the tenancy agreement. However, he indicated that there was no such term in the tenancy agreement which permitted the Landlord to seek relief for this type of breach. As well, he stated that he was not informed by the Landlord of much information regarding this tenancy and that he was not aware if the Landlord had even suffered any future rental loss as a result of the Tenants' actions.

Settlement Agreement

The possibility of a settlement was raised, pursuant to Section 63(1) of the *Act*, which allows an Arbitrator to assist the parties to settle the dispute. I explained to the parties that settlement discussions are voluntary, that if they chose not to discuss settlement I would make a final and binding Decision on the matter, and that if they chose to discuss

settlement and did not come to an agreement, that I would make a final and binding Decision on the matter.

I advised the parties that if they did come to an agreement, I would write out this agreement in my written Decision and make any necessary Orders. I also explained that the written Decision would become a final and legally binding agreement. The parties did not have questions about discussing a settlement when asked.

The parties engaged in a discussion on what would be an amenable settlement for both parties. The Landlord and the Tenant agreed as follows:

1. The Landlord is permitted to retain the entire security deposit in the amount of **\$1,250.00**.
2. The Landlord must return the Tenants' pet damage deposit in the amount of **\$1,250.00**.

This settlement agreement was reached in accordance with Section 63 of the *Act*. The parties confirmed at the end of the hearing that this agreement was made on a voluntary basis and that they understood the binding nature of this full and final settlement of these matters. This settlement concludes all matters, and the parties are precluded from making any other Applications against the other party with respect to this tenancy.

The Tenants will be granted a conditional Monetary Order in the amount of **\$1,250.00** in the event that the Landlord does not comply with condition two in accordance with this settlement agreement.

Conclusion

The parties reached a full and final settlement agreement in resolution of this dispute. I have recorded the terms of settlement in this Decision and in recognition of the settlement agreement, based on the above, I provide the Tenants with a conditional Monetary Order in the amount of **\$1,250.00** to serve and enforce upon the Landlord, if necessary. Should the Landlord fail to comply with this Order, this Order may be filed in the Small Claims Division of the Provincial Court and enforced as an Order of that Court.

This Decision is made on authority delegated to me by the Director of the Residential Tenancy Branch under Section 9.1(1) of the *Residential Tenancy Act*.

Dated: February 11, 2022

Residential Tenancy Branch